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NOTE BY THE SECRETARY-GENERAL

The Secretary-General has the honour to transmit to the members of the Security Council the attached communication dated 20 April 1994, which he has received from the Director General of the International Atomic Energy Agency (IAEA).

Annex

Letter dated 20 April 1994 from the Director General of the International Atomic Energy Agency to the Secretary General

Paragraph 8 of resolution 715 (1991), adopted by the Security Council on 11 October 1991, requests the Director General of the International Atomic Energy Agency (IAEA) to submit to the Security Council reports on the implementation of the Agency's plan for future ongoing monitoring and verification of Iraq's compliance with paragraph 12 of resolution 687 (1991). These reports are to be submitted when requested by the Security Council and, in any event, at least every six months after the adoption of resolution 715.

Accordingly, I am requesting you kindly to transmit to the President of the Security Council the enclosed fifth six-monthly report on the implementation of the plan. I remain available for any consultations you or the Council may wish to have.

(Signed) Hans BLIX

Appendix

Fifth report of the Director General of the International Atomic Energy Agency on the implementation of the Agency's plan for future ongoing monitoring and verification of Iraq's compliance with paragraph 12 of resolution 687 (1991)

I. INTRODUCTION

1. On 11 October 1991, the Security Council adopted resolution 715 (1991) approving, inter alia, the plan submitted by the Director General of the International Atomic Energy Agency for future ongoing monitoring and verification of Iraq's compliance with paragraph 12 of Part C of Security Council resolution 687 (1991) and with the requirements of paragraphs 3 and 5 of resolution 707 (1991) (see S/22872/Rev.1 and Corr.1). In paragraph 8 of resolution 715 (1991), the Security Council requested the Director General of IAEA to submit to it reports on the implementation of the plan when requested by the Security Council and, in any event, at least every six months after the adoption of resolution 715 (1991). The Director General has submitted thus far four reports, circulated on 15 April 1992 (S/23813); 28 October 1992 (S/24722); 19 April 1993 (S/25621); and 3 November 1993 (S/26685), respectively.

2. The Director General hereby submits the fifth six-monthly report on the implementation of the plan for future ongoing monitoring and verification related to Iraq's nuclear capabilities (hereinafter referred to as the plan).

3. Since the last report of 3 November 1993, IAEA has carried out three inspection missions in Iraq, the twenty-second (1-15 November 1993), the twenty-third (4-11 February 1994) and the twenty-fourth (11-22 April 1994). The detailed reports on the results of the twenty-second and twenty-third inspections are contained in documents S/1994/31 of 14 January 1994 and S/1994/355 of 25 March 1994, respectively. The report on the results of the twenty-fourth inspection is expected to be issued shortly.

4. Three more rounds of high-level technical talks were held between IAEA and the United Nations Special Commission, on the one hand, and Iraq, on the other hand. These discussions, which were continuations of the talks held from 1 to 9 September 1993 in New York, and from 27 September to 8 October 1993 in Baghdad, took place from 15 to 30 November 1993 at United Nations Headquarters in New York, from 1 to 4 February 1994 in Baghdad and from 14 to 19 March 1994 again in New York. Comprehensive reports on four rounds of the talks are contained in documents S/26451, S/26571, S/26584 and S/1994/341. Another round of talks will be held in Baghdad from 23 to 26 April.

5. The focus of the talks has been the implementation of the IAEA and Special Commission plans for ongoing monitoring and verification approved by the Security Council in resolution 715 (1991) and the resolution of outstanding issues between Iraq and the two organizations.

6. The most significant progress that took place in the course of the high-level technical talks was the formal acceptance by Iraq, in a letter of

26 November 1993 from the Minister for Foreign Affairs of Iraq to the President of the Security Council (S/26811), of the obligations set forth in resolution 715 (1991) and Iraq's agreement to comply with the provisions of the plans for monitoring and verification as contained therein.

7. The Iraqi representatives continued to press for a definite date by which IAEA and the Special Commission would submit reports to the Security Council indicating Iraq's compliance with the relevant paragraphs of resolution 687 (1991), with a view to achieving the lifting of the oil embargo by operation of paragraph 22 of resolution 687 (1991). However, it is not yet possible or practical for either IAEA or the Special Commission to commit to such a date at this stage.

8. The progress made in the last six months is summarized below in the relevant sections of the present report. As a general comment it must be noted that, since the beginning of the high-level technical talks initiated by a visit of Chairman Ekéus to Baghdad in July 1993, a marked improvement has occurred in the working relationship with the Iraqi side. An evident effort is now deployed by the Iraqi authorities to provide promptly the information needed to fulfil the requirements of the different resolutions, to remove remaining gaps or uncertainties, to reconcile discrepancies between previous Iraqi declarations and IAEA's findings and to provide all the necessary assistance to implement the plan.

II. DECLARATION OF ITEMS SUBJECT TO THE PLAN

9. Paragraph 22 and annexes 2 and 3 of the IAEA plan approved by the Security Council in resolution 715 (1991) set forth in detail the information and reporting requirements necessary for satisfactory implementation of the plan. As pointed out in previous reports, the overall quality of the documentation provided under the plan in the past by the Iraqi officials left much to be desired in terms of completeness and accuracy.

10. In order to assist the Iraqi side to bring their reporting to the necessary standard, a set of forms is being developed by IAEA that will cover the various reporting requirements in such a way as to facilitate the electronic processing of the information. Detailed guidelines on the completion of the forms are also being prepared. A first set of these forms, related to information on facilities, locations and sites, and using this improved reporting frame, was completed by Iraq and submitted to IAEA at the end of March 1994. A summary appraisal has shown that, subject to minor improvements, an acceptable reporting standard is now at hand.

III. RADIOMETRIC HYDROLOGIC SURVEY

11. As part of its twice yearly radiometric survey of the surface waters of Iraq, IAEA carried out the second water sample collection of 1993 and the first of 1994. A total of 15 sites along the Tigris-Euphrates watersheds were sampled in each campaign and the results are being analysed.

IV. PERIODIC INSPECTION ACTIVITIES

12. Three inspection missions have been carried out since the last report on the implementation of the plan. In the course of these inspections, monitoring activities were conducted, including short-notice inspections, at the eight "core" sites of the former Iraqi nuclear programme and at a number of other sites, facilities and installations that had supported the programme and where dual-use machine tools and other material and equipment relevant to annex 3 to the plan and subject to monitoring are located. On the average, each inspection has covered 40 facilities, installations and sites. Nothing was observed that was indicative of prohibited activities.

13. In the course of the most recent inspections, IAEA installed video surveillance systems at Um Al Ma'arik, where major components of the electromagnetic isotope separations (EMIS) modules had been fabricated. Preparations were made for future installation of surveillance systems at the Nassr State Establishment in the flow-forming machine workshop.

V. NUCLEAR MATERIAL BALANCE

14. IAEA is in the process of corroborating, with the assistance of the Brazilian Government, data provided by Iraq on the 20.6 tons of natural uranium in the form of UO_2 declared by Iraq to have come from Brazil. The inspection teams have completed detailed microscopic examination, bulk density assessments and sampling for chemical analysis of the material in question, the preliminary results of which indicate that the material is not indigenous to Iraq.

15. Areas of uncertainty in the total amount of natural uranium contained in the wastes arising from the processing of indigenous Iraqi uranium concentrates in the UO_2-UCl_4 plants at Al-Jezirah are being clarified with the assistance of the Iraqi management of the plant, which has provided additional analytical data. If confirmed by IAEA, the data should permit resolution of this issue.

16. Discrepancies between the inspection findings and the Iraqi declarations are now limited to the sources of uranium processed in Building 73a at Tuwaitha and described in the report of the eighteenth inspection mission (see S/25666, annex). Additional filters said to have been probably taken from elsewhere in complex 73 have been presented to the inspectors and samples were taken for chemical and isotopic analysis during the twenty-fourth inspection. Despite repeated efforts from both sides, this matter remains open, although it is believed that its resolution will not have a significant impact on the overall accuracy of the uranium material balance.

VI. EQUIPMENT AND MATERIALS

17. As described in the previous report, IAEA had indications that a considerable number of Matrix-Churchill CNC machine tools exported to Iraq were still missing and that this matter had to be further pursued. This issue finally was resolved, with the assistance of the Iraqi authorities, during the

twenty-third inspection mission. In November 1993 the Iraqi side declared the prior delivery of a total of 278 Matrix-Churchill CNC turning machines. This number closely approaches the figure of 280 communicated to IAEA by the exporting country. To date, 272 Matrix-Churchill CNC turning machines have been located and examined by IAEA inspectors. Machine tool experts who assisted IAEA in the evaluation of the capability of these machines have advised that none of the identified machines supplied to Iraq are of the quality that would require their declaration under annex 3 to the plan. Furthermore, a written statement has been provided by the successor company to Matrix-Churchill certifying that none of the Matrix-Churchill CNC turning machines supplied to Iraq met the annex 3 quality specifications. In consultation with the Special Commission, it was decided that none of the 272 Matrix-Churchill CNC turning machines identified in Iraq fall within the category of items subjected to routine monitoring and verification under either plan and that, therefore, the tagging seals would be removed by IAEA inspectors in the course of the next inspections. This decision was communicated to the Iraqi authorities on 30 March 1994.

18. Comprehensive verification of the inventory of the major components of the Tammuz-1 and Tammuz-2 research reactors was completed during the twenty-third inspection, with the participation and assistance of an expert from the supplier State. It was possible to conclude that all of the sensitive components of the two reactors were now satisfactorily accounted for.

19. A number of requests have been submitted by Iraq for the release, for use in civilian needs, of certain items of equipment and material. Notification and prior consent for such action is required by paragraph 3 (iii) of resolution 707 (1991). The procedures for handling those requests are detailed in paragraph 25 of the IAEA plan, which requires a decision by the Director General, with the assistance and cooperation of the Special Commission. In accordance with paragraph 25 of the plan, the specific procedures for the release of these items subject to the requests have been established and are being implemented.

VII. PROCUREMENT-RELATED INFORMATION

20. Since the last report, the Iraqi authorities have provided significant and credible information on procurement related to the Iraqi uranium enrichment programme, in particular as regards the sources of maraging steel and outside technical advice for the centrifuge programme.

21. The Iraqi side identified an individual as Iraq's agent for the procurement of the maraging steel, and provided information on the shipments of material, including quantities, physical configuration and transportation routes. Confirmation of this information awaits further follow-up action by the Governments of the relevant Member States.

22. Significant progress was also achieved in the area of the role played by foreign technical advice in the centrifuge enrichment area. During the twenty-second inspection, interviews were conducted with Iraqi personnel, in the course of which the names of individuals, the circumstances under which they became involved and the details of the technical help they provided were given to IAEA.

Information was also provided on the procurement of components of the prototype machines.

VIII. REMOVAL OF IRRADIATED NUCLEAR FUEL ASSEMBLIES

23. Since the last report, the remaining highly enriched uranium, in the form of irradiated fuel, was removed from Iraq, thus completing the removal of declared stocks of nuclear-weapons-usable material from Iraq. The irradiated fuel was removed under contract with the Ministry of Atomic Energy of the Russian Federation and a United States subcontractor. The irradiated fuel, which was removed in two consignments, on 1 December 1993 and 12 February 1994, was transported by air to the Russian Federation, where it will be treated at a reprocessing plant at Chelyabinsk and the product made available for sale under IAEA safeguards.

IX. ESTABLISHMENT OF A MECHANISM FOR FUTURE EXPORT-IMPORT CONTROL

24. Paragraph 7 of Security Council resolution 715 (1991) calls for "... the Committee established under resolution 661 (1990), the Special Commission and the Director General of the International Atomic Energy Agency to develop in cooperation a mechanism for monitoring any future sales or supplies by other countries to Iraq of items relevant to the implementation of section C of resolution 687 (1991) and other relevant resolutions, including the present resolution and the plans approved hereunder".

25. Paragraph 7 of resolution 715 (1991) was adopted within the context of the approval by the Security Council of the plans submitted by the Secretary-General and by the Director General of IAEA for ongoing monitoring and verification of Iraq's undertakings, under paragraphs 10 and 12 of the Security Council resolution 687 (1991), not to reacquire prohibited weapons capabilities. The resolution establishes no fixed duration of such a mechanism, and it has thus been the understanding that the mechanism is intended to make provision for the monitoring of the sale or the supply by other countries to Iraq of items covered by the two plans after the general sanctions imposed by resolution 661 (1991) on those items have been lifted, pursuant to paragraph 21 of resolution 687 (1991). On this understanding, the Special Commission and the Director General of IAEA have prepared, for consideration and approval by the Sanctions Committee, a proposal for a mechanism for export/import monitoring under paragraph 7 of Security Council resolution 715 (1991). The proposal will thereafter be submitted to the Security Council and, once approved, will be applied in the context of the ongoing monitoring activities.

X. SUMMARY AND CONCLUSIONS

26. While Iraq has expressed its strong wish for a specific date by which IAEA would submit to the Security Council the report of Iraq's compliance with the relevant paragraphs of resolution 687 (1991), there remain outstanding actions that would need to be completed. IAEA will have to satisfy itself that it is in

a position to implement fully the ongoing monitoring and verification plan. It is not at this time possible or practical to provide a specific date by which that will happen. The positive attitude adopted by the Iraqi authorities since the initiation of the high-level talks in the second half of 1993 is bearing fruit, should be continued and must be encouraged. This will permit the acceleration of the full implementation of ongoing monitoring and verification.